Background

In 2009, the Legislature directed the State Building Code Council to adopt energy codes that are increasingly more stringent to achieve a 70 percent reduction in annual net energy consumption by 2031. It has been a struggle to get the incremental changes within the 20-year time frame.

Direct Energy reports that the biggest energy use in a typical home are:

• Air conditioning & heating: 46 percent

Water heating: 14 percentAppliances: 13 percentLighting: 9 percent

• TV & Media Equipment: 4 percent

The <u>National Renewable Energy Laboratory</u> ranks Washington as one of the worst states in nation for solar energy. Not every home in Washington is well suited for solar panels. This can be checked on Zillow's Sun Number or <u>Google Sunroof</u>. Panels are recommended to be cleaned two to four times per year. BIAW estimates that the installation of pre-wiring adds more than \$1,000 to the cost of the house.

BIAW reports that for every \$1,000 added onto the cost of a home, 2,524 Washingtonians are priced-out of homeownership (based on 2001 data). They estimate that 41,633 families will no longer be able to qualify for a mortgage by adding the requirements in HB 1770.

Key messages

We need to keep home ownership affordable and efficient.

People like windows, gas fire places, heat, energy consuming devices so an obligation to reduce energy consumption by 80 percent is out of touch with how people want to live their lives.

This bill restricts energy choice and puts electric reliability at risk.

This drives up housing, and likely heating costs, which will hurt middle and income earners the most.

What this legislation does

- The Governor's request legislation would require new buildings to be net-zero ready, including a reduction of at least 80 percent in annual net energy consumption by Dec. 1, 2034.
- Buildings must include wiring for solar equipment, although the State Building Code Council may exempt for sites or buildings that do not have adequate solar exposure.
- The SBCC must also provide an optional residential reach code to achieve the reductions. Department of Commerce is to develop a proposal covering the technical provisions of this code that can be adopted by July 1, 2024. This reach code can be implemented by a local authority and pre-empt existing code in advance.

Concerns with the bill

- It will take 20 years with incremental adjustments to reach the 70 percent reductions. All the easy things will have been done. This requires the last, and hardest reductions, to happen four years after the 70 percent is achieved. The industry has concerns about the ability to reach that point.
- The reach code undermines the point of having consistent building codes across the state. The industry is opposed to having two codes at the same time.
- Solar panels and wiring may never get used, so it wasteful to require that it be part of every house.
- There is a need for affordable housing that has reliable electricity, heat, air conditioning, etc. The reductions can interfere with livability and aesthetic aspects of housing.
- There are concerns about having a home with only electric as the heat source because power outages happen, and gas fireplaces and other sources provide heat in those cases.
- Natural gas in some locations (Puget Sound) is cheaper than electricity. Electricity can cost up to twice as much.
- Industry is overwhelming opposed.

Additional information

- WPC Todd Myers: Governor's new climate proposals: more money but no environmental benefit
- Puget Sound Energy benefits of natural gas
- Washington 2021 State Energy Strategy